

### City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MAY 18, 2021

FROM: CITY ATTORNEY WARDS: ALL

SUBJECT: OUTSIDE COUNSEL EXPENDITURE REPORT

### **ISSUE**:

The issue for City Council consideration is the Outside Counsel Expenditure Report for the period of January 1, 2021 through March 31, 2021, as provided in the outside counsel policy approved by City Council on June 16, 2015.

### **RECOMMENDATIONS:**

That the City Council receives and files the attached report.

### **BACKGROUND:**

In the continuing effort of transparency and accountability, City Council approved the City Attorney's recommendation of quarterly reporting of the outside counsel expenditures. This report includes the current spending for the prior quarter and the cumulative spending from inception of the matter grouped by law firm name. All closed matters are highlighted and will not be included in the next report. It should be noted that bond counsel and contingency payments are not paid through the City's accounts payable division and therefore must be manually added to information derived from the City's accounting system. In the case of bond counsel payments, the payments are typically made directly by the bond trustee from bond proceeds. In the case of contingency payments, the payments are typically deducted from the funds received prior to deposit by the City.

#### **FISCAL IMPACT:**

There is no fiscal impact at this time.

Prepared by: Kristi J. Smith, Interim City Attorney

Attachment: Outside Counsel Expenditure Report

| LAW FIRM          | MATTER/CASE NAME             | BRIEF DESCRIPTION      |                   |                                 | EXPENDITURES        |                     |         |
|-------------------|------------------------------|------------------------|-------------------|---------------------------------|---------------------|---------------------|---------|
|                   |                              |                        | Funding<br>Source | Authorized<br>Spending<br>Limit | 1/1/21 -<br>3/31/21 | TOTAL AS OF 3/31/21 | BALANCE |
|                   |                              |                        |                   |                                 |                     |                     |         |
| ALSTON BIRD       |                              |                        |                   |                                 |                     |                     |         |
|                   | Public Watchdogs v CA State  |                        | 520               |                                 |                     |                     |         |
|                   | Lands Commission             | CEQA Lawsuit           | 320               | 5,000                           | -                   | 1,774               | 3,226   |
|                   | Samuel Lawrence Foundation v |                        | 520               | 200 2000000000                  |                     |                     |         |
|                   | Coastal Commission #1        | Re Songs               | 320               | 5,370                           | -                   | 1,314               | 4,056   |
|                   | Samuel Lawrence Foundation v |                        | 520               |                                 |                     |                     |         |
|                   | Coastal Commission #2        | Re Songs               | 320               | 2,148                           | -                   | 100                 | 2,048   |
|                   | Public Watchdogs v CA State  |                        | 520               |                                 |                     |                     |         |
|                   | Lands Commission             | Appeal                 | 320               | 3,580                           |                     | -                   | 3,580   |
| Subtotal          |                              |                        |                   |                                 | -                   |                     |         |
|                   |                              |                        |                   |                                 |                     |                     |         |
| BAKER HOSTETLER   |                              |                        |                   |                                 |                     |                     |         |
|                   | Cyber Security Breach        | Prevention/Advice      | 510               | 20,000                          | -                   | 2,375               | 17,625  |
|                   | Business Tax Security        | Prevention/Advice      | 630               | 4,000                           | -                   | 1,838               | 2,162   |
| Subtotal          |                              |                        |                   |                                 | -                   |                     |         |
|                   |                              |                        |                   |                                 |                     |                     |         |
| BEST BEST KRIEGER |                              |                        |                   |                                 |                     |                     |         |
|                   | General Advice               | Miscellaneous          | 101               | 25,000                          |                     | 14,987              | 10,013  |
|                   | City v DOF                   | Anticipated litigation | 630               | 65,000                          |                     | 60,085              | 4,915   |
|                   | Riverwalk CSD Foreclosure    | Collection             | 101               | 10,000                          |                     | 2,645               | 7,355   |
|                   | Gage Canal                   | Advisory               | 101               | 20,000                          |                     | 17,548              | 2,452   |
|                   | General Advice               | HR/401(a) Advisory     | 101               | 45,000                          | 18,045              | 40,887              | 4,113   |
|                   | Live Nation/Fox Theatre      | Advisory               | 101               | 5,000                           |                     | -                   | 5,000   |
|                   | Ice Energy                   | Bankruptcy             |                   | 12,000                          | 187                 | 4,267               | 7,733   |
|                   | Riverside Community Hospital | Tax Matter             | 101               | 1,500                           |                     | 1,500               | -       |
|                   | General Advice               | IRS Advice             | 101               | 11,010                          | 3,615               | 3,515               | 7,395   |
| Subtotal          |                              |                        |                   |                                 | 21,847              |                     | •       |
|                   |                              |                        |                   |                                 |                     |                     |         |

|                             |   | BRIEF DESCRIPTION                               |                   |                                 | EXPENDITURES        |                     |           |
|-----------------------------|---|---|-------------------|---------------------------------|---------------------|---------------------|-----------|
| LAW FIRM                    | MATTER/CASE NAME  |   | Funding<br>Source | Authorized<br>Spending<br>Limit | 1/1/21 -<br>3/31/21 | TOTAL AS OF 3/31/21 | BALANCE   |
| BUCHALTER                   |   |   |                   |                                 |                     |                     |           |
|                             | SCE/CPC Application[1]  | RTRP  | 520               | 450,000                         | 18,226              | 445,175             | 4,825     |
|                             | CPUC Rulemaking   | PSPS  | 520               | 60,000                          | 1,908               | 29,498              | 30,502    |
| Subtotal                    |   |   |                   |                                 | 20,134              |                     |           |
| BLAISDELL, CHURCH & JOHNSON |   |   |                   |                                 |                     |                     |           |
|                             | Bond Counsel*   | IPP Generation Plant                            | 510               | 5,000                           |                     | 1,000               | 4,000     |
| Subtotal                    |   |   |                   |                                 |                     |                     |           |
| BURKE WILLIAMS & SORENSEN   | Friends of Riverside Airport v<br>City **                         | Ag Park Litigation                              | 630               | 1,850,000                       | 266,968             | 792,222             | 1,057,778 |
| Subtotal                    |   |   |                   |                                 | 266,968             |                     |           |
| CHAPMAN AND CUTLER          |   |   |                   |                                 |                     |                     |           |
|                             | Bond Counsel*   |   |                   |                                 |                     |                     |           |
| CONSTANTINE CANNON          |   |   |                   |                                 |                     |                     |           |
|                             | State of California et al. ex rel.<br>[Under Seal] v [Under Seal] | Litigation re wireless cell service/contingency |                   | -                               |                     | -                   | -         |
| Subtotal                    |   |   |                   |                                 |                     |                     |           |
| COTCHETT PITRE & McCARTHY   |   |   |                   |                                 |                     |                     |           |
|                             | Bond Derivative Litigation  | Contingency*                                    |                   | -                               |                     | -                   | -         |
|                             |   |   |                   |                                 |                     |                     |           |

|                                   |                            |                                     |                   |                                 | EXPEN               | DITURES             |         |
|-----------------------------------|----------------------------|-------------------------------------|-------------------|---------------------------------|---------------------|---------------------|---------|
| LAW FIRM                          | MATTER/CASE NAME           | BRIEF DESCRIPTION                   | Funding<br>Source | Authorized<br>Spending<br>Limit | 1/1/21 -<br>3/31/21 | TOTAL AS OF 3/31/21 | BALANCE |
| COLANTUONO<br>HIGHSMITH & WHATLEY |                            |                                     |                   |                                 |                     |                     |         |
|                                   | General matters            | Prop 218 and conflicts advice       | 520               | 40,400                          |                     | 36,879              | 3,521   |
|                                   | General Advice             | CAO                                 | 101               | 15,000                          |                     | 13,771              | 1,229   |
|                                   | General/RPU                | Electric & Water Cost Service Study | 520               | 25,000                          |                     | 65                  | 24,935  |
|                                   | General Advice             | Solid Waste Refues Fees             | 101               | 15,000                          | 3,745               | 5,075               | 9,925   |
|                                   | Parada II v City**         | GFT Challenge/Litigation            | 101               | 252,500                         | 21,952              | 197,275             | 55,225  |
|                                   | Carl Pongs v City          | Water Rate Challenge                | 520               | 100,000                         | 9,930               | 33,837              | 66,163  |
|                                   | Simpson v City**           | Water GFT Challenge                 | 520               | 253,000                         | 20,758              | 72,889              | 180,111 |
| Subtotal                          |                            |                                     |                   |                                 | 56,385              |                     |         |
| ELLISON SCHNEIDER                 |                            |                                     |                   |                                 |                     |                     |         |
|                                   | 1969 Judgment*             | Bunker Hill Basin                   | 510               | 30,000                          | 3,403               | 24,934              | 5,066   |
| Subtotal                          |                            |                                     |                   |                                 | 3,403               |                     |         |
| GIBBS GIDEN                       |                            |                                     |                   |                                 |                     |                     |         |
|                                   | General Public Contracting | Advisory                            | 101               | 7,500                           | -                   | 2,883               | 4,617   |
|                                   | Convention Center/Fox      | Force Majeure Review                | 101               | 15,000                          | -                   | 14,948              | 52      |
| Subtotal                          |                            |                                     |                   |                                 | -                   |                     |         |

|                      |                           |                               |                   |                                 | EXPEN               |                     |         |
|----------------------|---------------------------|-------------------------------|-------------------|---------------------------------|---------------------|---------------------|---------|
| LAW FIRM             | MATTER/CASE NAME          | BRIEF DESCRIPTION             | Funding<br>Source | Authorized<br>Spending<br>Limit | 1/1/21 -<br>3/31/21 | TOTAL AS OF 3/31/21 | BALANCE |
| GREINES MARTIN STEIN |                           |                               |                   |                                 |                     |                     |         |
| & RICHLAND           | 5 1 10 1 00               |                               |                   |                                 |                     |                     |         |
|                      | Easley, Michael v. City   | Federal civil rights action   | 630               | 137,695                         |                     | 117,736             | 19,959  |
|                      | Nichols, Raymond v City** | Federal civil rights action   | 630               | 107,455                         |                     | 102,982             | 4,473   |
|                      | Louis, Jean-Louis v City  | Appellate advice              | 630               | 15,000                          | 88                  | 9,836               | 5,164   |
|                      | Parada v City             | Appellate advice              | 630               | 15,000                          | 7,080               | 10,532              | 4,468   |
|                      | Brandstetter v City       | Appellate advice              | 630               | 15,000                          | -                   | -                   | 15,000  |
| Subtotal             |                           |                               |                   |                                 | 7,168               |                     |         |
| HOLLAND & HART       |                           |                               |                   |                                 |                     |                     |         |
|                      | Camino Project            | PPA Negotiations              |                   | 10,000                          | -                   | -                   | 10,000  |
|                      | Glidepath                 | PPA Negotiations              |                   | 50,000                          | -                   | -                   | 50,000  |
| Subtotal             |                           |                               |                   |                                 |                     |                     |         |
| JONES HALL           |                           |                               |                   |                                 |                     |                     |         |
|                      | Bond Counsel*             | SIFMA                         |                   | 40,000                          |                     | -                   | 40,000  |
|                      | Bond Counsel*             | Electric and Water Bonds 2018 |                   | 45,000                          |                     | H                   | 45,000  |
|                      | Bond Counsel*             | 2019 Electric & Water Bonds   |                   | 90,000                          |                     |                     | 90,000  |
| Subtotal             |                           |                               |                   |                                 |                     |                     |         |
|                      |                           |                               |                   |                                 |                     |                     |         |

|                                    |  |                                     |                   |                                 | EXPENDITURES        |                     |         |  |
|------------------------------------|--|-------------------------------------|-------------------|---------------------------------|---------------------|---------------------|---------|--|
| LAW FIRM                           | MATTER/CASE NAME                                     | BRIEF DESCRIPTION                   | Funding<br>Source | Authorized<br>Spending<br>Limit | 1/1/21 -<br>3/31/21 | TOTAL AS OF 3/31/21 | BALANCE |  |
| LEWIS BRISBOIS<br>BISGAARD & SMITH |  |                                     |                   |                                 |                     |                     |         |  |
|                                    | Easley, Michael v City                               | Civil rights litigation             | 630               | 406,500                         | 1,023               | 375,232             | 31,268  |  |
|                                    | Friends of Riverside Airport v<br>Dept of the Army** | CEQA Litigation/Environmental       | 630               | 1,700,138                       | -                   | 1,007,314           | 692,824 |  |
| Subtotal                           |  |                                     |                   |                                 | 1,023               |                     |         |  |
| LIEBERT CASSIDY WHITMORE           |  |                                     |                   |                                 |                     |                     |         |  |
|                                    | General Advice                                       | Misc                                | 101               | 1,000                           | -                   | 447                 | 553     |  |
|                                    | Casteel v City                                       | Employment                          | 630               | 137,700                         | 14,740              | 14,740              | 122,960 |  |
| Subtotal                           |  |                                     |                   |                                 | 14,740              |                     |         |  |
| MALCOLM CISNEROS                   |  |                                     |                   |                                 |                     |                     |         |  |
|                                    | Carbonlite Holdings, LLC                             | Bankruptcy                          |                   | 30,000                          |                     | -                   | 30,000  |  |
| Subtotal                           |  |                                     |                   |                                 | -                   |                     |         |  |
| MEYERS NAVE                        |  |                                     |                   |                                 |                     |                     |         |  |
|                                    | Measure MM   | Advice/Opinion                      |                   | 15,000                          | 9,765               | 9,765               | 5,235   |  |
| Subtotal                           |  |                                     |                   |                                 | 9,765               |                     |         |  |
| MILLER AXLINE & SAWYER             |  |                                     |                   |                                 |                     |                     |         |  |
|                                    | TCP Contaminataion                                   | Advisory/contingency*               |                   |                                 |                     |                     |         |  |
|                                    | City v Black & Decker (U.S), Inc.                    | Perchlorate litigation/contingency* |                   |                                 |                     |                     |         |  |

| LAW FIRM                        |                          | BRIEF DESCRIPTION             |                   |                                 | EXPENDITURES        |                     |         |
|---------------------------------|--------------------------|-------------------------------|-------------------|---------------------------------|---------------------|---------------------|---------|
|                                 | MATTER/CASE NAME         |                               | Funding<br>Source | Authorized<br>Spending<br>Limit | 1/1/21 -<br>3/31/21 | TOTAL AS OF 3/31/21 | BALANCE |
| MURPHY & EVERTZ                 |                          |                               |                   |                                 |                     |                     |         |
|                                 | SBCTA v City             | Condemnation                  |                   | 150,000                         | -                   | 13,413              | 86,587  |
| Subtotal                        |                          |                               |                   |                                 |                     |                     |         |
| SL ENVIRONMENTAL                |                          |                               |                   |                                 |                     |                     |         |
|                                 | PFSA                     | Contamination/Contingency     |                   |                                 |                     |                     |         |
| SMITH LAW OFFICES               |                          |                               |                   |                                 |                     |                     |         |
|                                 | Louis, Jean-Louis v City | Civil rights litigation       | 630               | 176,000                         |                     | 16,810              | 159,190 |
|                                 | Nichols, Raymond v City  | Civil rights litigation       | 630               | 120,000                         | 300                 | 52,609              | 67,391  |
|                                 | Wilder, S. v City        | Suit for Wrongful Termination | 630               | 100,000                         | 29,240              | 50,100              | 49,900  |
|                                 | Casteel v City           | Employment/Special Counsel    | 630               | 10,000                          | 5,220               | 5,220               | 4,780   |
| Subtotal                        |                          |                               |                   |                                 | 34,760              |                     |         |
| STRADLING YOCCA CARLSON & RAUTH |                          |                               |                   |                                 |                     |                     |         |
|                                 | Bond Counsel             | 2006 Lease Revenue (Galleria) |                   | 55,000                          | 55,000              | 55,000              | 0       |
|                                 | Bond Counsel             | 2018 Sewer Revenue Bonds      |                   | 65,000                          | 65,000              | 65,000              | 0       |
|                                 | Bond Counsel             | 2019 Electric and Water Bonds |                   | 140,000                         | 140,000             | 140,000             | 0       |
|                                 | Bond Counsel             | Debt Disclosure Reports       |                   | 15,000                          | 15,000              | 15,000              | 0       |
|                                 | Bond Counsel             | CFDs and Assessment Districts |                   | 15,000                          | 15,000              | 15,000              | 0       |
|                                 | Bond Counsel             | 2015A Sewer Revenue Bonds     |                   | 10,000                          | 15,000              | 15,000              | 0       |
| Subtotal                        |                          |                               |                   |                                 | 305,000             |                     |         |

|                   |                               | BRIEF DESCRIPTION   |                   |                                 | EXPENDITURES        |                     |         |  |
|-------------------|-------------------------------|---------------------|-------------------|---------------------------------|---------------------|---------------------|---------|--|
| LAW FIRM          | MATTER/CASE NAME              |                     | Funding<br>Source | Authorized<br>Spending<br>Limit | 1/1/21 -<br>3/31/21 | TOTAL AS OF 3/31/21 | BALANCE |  |
| THOMPSON COBURN   |                               |                     |                   |                                 |                     |                     |         |  |
|                   | FERC                          | Regulatory          | 510               | 750,000                         | 140,290             | 416,019             | 333,981 |  |
|                   | LADWP Transmission Agreements | Potential Extension | 510               | 25,000                          |                     | -                   | 25,000  |  |
| Subtotal          |                               |                     |                   |                                 | 140,290             |                     |         |  |
| WOODRUFF SPRADLIN |                               |                     |                   |                                 |                     |                     |         |  |
|                   | Pongs/Moslenko v City         |                     |                   | 588,000                         | 11,915              | 11,915              | 576,085 |  |
| Subtotal          |                               |                     |                   |                                 | 11,915              |                     |         |  |
| TOTAL             |                               |                     |                   |                                 | 893,398             |                     |         |  |
|                   |                               |                     |                   |                                 |                     |                     |         |  |

|                            | MATTER/CASE NAME                      | BRIEF DESCRIPTION                                    |                   |                                 | EXPENDITURES        |                     |         |
|----------------------------|---------------------------------------|--|-------------------|---------------------------------|---------------------|---------------------|---------|
| LAW FIRM                   |                                       |  | Funding<br>Source | Authorized<br>Spending<br>Limit | 1/1/21 -<br>3/31/21 | TOTAL AS OF 3/31/21 | BALANCE |
| Note: Plaintiff's Case - C | Outside Counsel Retained for Reco     | overy  |                   |                                 |                     |                     |         |
| BURKE WILLIAMS<br>SORENSEN |                                       |  |                   |                                 |                     |                     |         |
|                            | City v. Jurupa/Rubidoux CSD, et al.** | Recovering contribution obligation for RWQCP project | 550               | 4,782,326                       | 16,854              | 4,655,921           | 126,405 |
| Please note:               |                                       |  |                   |                                 |                     |                     |         |
| (1) Some totals may in     | nclude costs                          |  |                   |                                 |                     |                     |         |
| (2) Items shaded in bl     | ue are closed                         |  |                   |                                 |                     |                     |         |
| (3)*Contingency bond       | l counsel payments are per inc        | dividual bond transactions or reco                   | overy received    | d                               |                     |                     |         |
| (4)**Change order          |                                       |  |                   |                                 |                     |                     |         |
| [1] Attorney's fees will   | l be recovered from SCE               |  |                   |                                 |                     |                     |         |
|                            |                                       |  |                   |                                 |                     |                     |         |
|                            |                                       |  |                   |                                 |                     |                     |         |